



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

Date: 5/23/2006

GAIN Report Number: TH6051

Thailand

Grain and Feed

Weekly Rice Price Update

2006

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Report Highlights:

White rice export prices were mixed in response to fluctuations in domestic prices. Meanwhile, the Government's plan to release rice stocks through barter trade deals are still tentative.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending May 22):

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	480	-	472	495	495	468	500	485	482
WR 100 B	316	315	317	315	320	315	315	316	316
PB 5%	297	298	302	309	306	305	305	303	303
WR 5%	312	310	310	310	312	308	310	310	309
WR 10%	305	303	305	307	308	304	305	305	305
WR 15%	297	297	298	305	297	288	295	297	295
WR 25%	273	277	285	292	275	271	280	279	274
WR 35%	270	-	-	286	-	269	-	275	268
A 1 SUP	215	218	210	215	220	213	210	214	225
A 1 SPEC	213	216	208	203	218	-	208	213	222
Source: Average actual prices received from exporters									

Market Tone

Despite the fluctuations in domestic prices of white rice, export prices of premium white rice changed insignificantly in response to the weakening of the Thai Baht to around 38.1 baht/U.S.\$, compared to around 37.8 Baht/U.S.\$ in the previous week. The fluctuations of white rice prices reflected speculative demand of local traders who are reportedly holding huge stocks of second-crop paddy. In addition, the Government is holding intervention stocks of paddy of around 6.3 million tons, including fragrant paddy of around 2.3 million tons, and white paddy rice of around 4 million tons, of which 3 million tons are main-crop paddy (MY 2005/06) and the balance is current second-crop paddy. The Government is planning to release rice from the intervention stocks through barter trade deals with the Chinese Government and the French Government worth around 17 billion baht (roughly U.S.\$ 423 million). However, these deals have not been finalized. The negotiation will start when the Government approves these proposed deals. Exporters expect that the approval will take months during current political uncertainty and the Government will be unable to conclude deals unless private companies get involved in the transactions.

As for fragrant rice, export prices continued to increase due to seasonal limited supplies of new-crop fragrant rice. Meanwhile, the recent Government's release of fragrant rice stocks of 136,431 tons out of the total tender of 440,000 tons at the prices of around 15,000 – 17,000 baht/ton (roughly U.S.\$ 395 – 447/MT) is mainly for domestic sales because there is no export markets for old crop fragrant rice (MY 2004/05).

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	%
APR 2	81,681	78,984	1,144	1,444	-20.8
APR 9	76,558	80,007	1,220	1,527	-20.1
APR 16	66,847	77,725	1,287	1,598	-19.4
APR 23	103,185	82,068	1,390	1,721	-19.2
APR 30	105,690	88,070	1,496	1,847	-19.0
MAY 7	111,369	96,773	1,607	1,947	-17.4
MAY 14	100,083	105,082	1,707	2,042	-16.4
MAY 21	121,879	109,755	1,829	2,131	-14.1

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for May 15-21, 2006 totaled 121,879 tons, up 21,795 tons from the previous week's total, and up 12,124 tons from the four-week moving average of 109,755 tons. Exports during Jan. 1 – May 21, 2006 totaled 1,829,420 tons, as compared with 2,130,766 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Apr. 27, 2006, amounted to 2,313,429 tons, down 4 percent from 2,413,531 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of May 1-5, May 8-12, and May 15-19, 2006 are as follows:

Movement (MT)	May 1-5 (revised)	May 8-12 (revised)	May 15-19
weekly sales	138,257	94,733	78,560
4 week sum	510,926	508,952	514,250
4 week mov. avg.	127,732	127,238	128,563
Total weekly sales	2,230,754	2,325,487	2,404,047

End of Report.